

5045/0055
cc: Leslie

VIA HAND-DELIVERY

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APR 02 2012

Div. of Oil, Gas & Mining

April 2, 2012

Stephan Allen, Geologist
BLM, Salt Lake Field Office
2370 South 2300 West
Salt Lake City, Utah 84119

AND

Leslie Heppler
Utah Division of Oil, Gas & Mining (ODOGM)
1594 W. North Temple
Salt Lake City, Utah

RE: Wellman Minerals Corporation (aka A & B Technologies, LLC)
Permit No. S0450055
(Meeting @ ODOGM Offices - 4/2/12 @ 1:00 PM)

Wellman Minerals Corporation (WMC) submitted a cash bond to the BLM in the amount of \$3,785 in 2004. This bond, coupled with a submitted Plan for operation was accepted and approved by the agency.

Mr. John Anderson has been the sole shareholder of WMC, since as early as August 1999. Mr. Wellman (at the time) was a Director with a Proxy to act as President (with a right to repurchase shares). Mr. Wellman never did exercise that right.

In December (2004), John Anderson removed Mr. Wellman as President, director, and an agent of the company, he was duly notified of this action by Mr. Anderson. However, Mr. Wellman continued to defy these order and/or acknowledge any of these conditions.

It was in July (2006) that it became necessary for Wellman Minerals Corporation (i.e. John Anderson and Gregory R. Bennett) to obtain the legal services of Strong and Hanni Law Firm. At this time, they were listed as the 'Registered Agent' of Wellman Minerals Corporation. Strong and Hanni (again) notified Mr. Wellman of the 2004 decision and demanded that he "cease and desist" from any further unauthorized actions. The BLM was (also) notified of this condition at that time.

Mr. Wellman continued to "attempt" filings with the State of Utah (Division of Corporations), however he was prevented from doing so by that agency because we (John and me) were recognized by them as the rightful owners.

The BLM, however, continued to allow Mr. Wellman to "file over us." They denied us the right to prevent any further action by Mr. Wellman, even after having been notified in the proper actions taken by the State of Utah (the only agency in Utah authorized to recognize a corporation) against him.

Wellman Minerals Corporation isn't an individual but a creation of the State of Utah and they report to the public who is the proper registered agent. Again, this information was given to the BLM in 2006, but they (the BLC) continued to ignore those properly deemed as agents to represent Wellman Minerals Corporation.

Due to Mr. Wellman's ability to be listed as the "recognized operator" of Wellman Minerals Corporation with the BLM, certain correspondence and communications were directed to him (personally) – without any notice or notification to us from the BLM; which has generated several unnecessary problems and expenses.

Finally, in 2009, after it was determined (by us) that that many unauthorized communications had taken place (directly with Mr. Wellman) and the BLM, the BLM (again) "flatly denied" us the right to do anything about mitigating our differences and preventing these problems and costs. Basically, we were "forced" to seek legal justice by virtue of a "court order" – by way of a one-side dimension. A process that has taken nearly three years, with an out-of-pocket expenses totaling over \$100,000 (plus more than a thousand man-hours), in order to defend our rights & position within the BLM - which could have been avoided, or at the very least, significantly reduced.

The extended amount of time and tremendous outlay of our resources are a direct result of the BLM's negative actions with regard to their policies in this matter. If the BLM had required both parties (rather than just John and me) to resolve this situation, Mr. Wellman would have had to obtain his own outside legal services. And, at a significant cost to him, he would have had a greater desire to resolve this matter without the (otherwise) enormous amount of time, energy, and resources that it did take. This process would have been resolved in a very short period of time, due to the "rather simple matter" that it was. Actions would have been limited to presentation of facts (only), which is what closed the deal in our favor (and for that matter, was the reason that the State had recognized our position from the beginning).

The time delay was basically due to Mr. Wellman's redundant arguments that would not have been allowed if he had the obligation to be represented by outside legal council.

Mr. Wellman, having obtained a degree in law, was able to defend himself (Pro Se), without any other legal representation, because the burden was placed "on us" to seek the judgment against him personally. (Therefore, most of the expense and time was caused directly by the BLM's actions). Otherwise, had he had to act as a corporation, he would have had to respond by obtaining legal services from a State/Court Certified Legal Firm (or agent). In fact, the trial "dragged on" for a prolonged amount of time due to the allowances given to Mr. Wellman's

"Pro Se" condition. The trial would have clearly ended much (much) sooner had it been that he required a public defender.

We received a favorable and final judgment in January 2012.

So, now (after everything that has taken place) what is on the table here for us today? We are facing several other issues with the BLM due (in the most part) to their improper actions. A condition that has rendered us extremely unhappy and unwilling to stand by any further and be moved around like ponds. We, now, must seek for further justice and obtain positive reconciliation to our present difficulties.

One situation that we must reconcile is the responsibility to respond immediately to reclamation issues. (As provided to us by the BLM and ODOGM). And secondly, we must resolve the issue of a non-necessary proposed (or demanded) increase in bonding guarantees. Whereas, the original Bond was accepted, approved, and received by the BLM but is now being increased – which has placed a real burden on us at this time.

We are finding out that the agency notified Mr. Wellman (only; not us) that no other work can be done on the claims without this increase bonding fee, and an additionally approved operations plan.

So, today we are here in an effort to mitigate these damages, caused by the BLM. We are here today in an attempt to solve these issues and come to agreement of mutual beneficiality. We are here today to establish a good working relationship, understood by both parties, and beneficial to both parties. It is not our intent to create any further problems, but to resolve these matters.

We will perform "customary and reasonable" reclamation efforts to resolve the disturbances – as determined by our original plan. And, we promise to continue to do so in the future, as our operations are continued. (However, giving strict consideration to "the enormous amount of time and expenses" already required to solve the above court problems, we are here to represent ourselves against any other further "undue and unreasonable" actions.) Meaning that, "the ball" is clearly in your court(s) to help satisfy our needs and desires (at this point) to move forward without any further delays or undue expenses.

A recent Supreme Court ruling has determined that government agencies are now recognized as "responsible agents," and can be held financially liable for their actions (if they perform or cause undue hardship on the public). Therefore, with this in mind, we are proposing some simple actions for your approval:

1. We complete immediate reclamation services for the present disturbances, as agreed and supported by the BLM in our original plan.
2. We be allowed to continue our "reasonable and customary" exploration and mining functions in due diligence (as per our original approved plan) – under the cash bond that

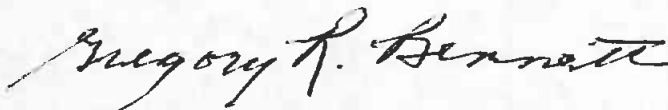
is already in place. **Note:** The necessity for recent expenditures (costs and expenses due to the above extended legal services) by us has placed undue hardship on our company – which have been caused directly by the BLM. We cannot provide additional Bonding Guarantees (as presently required by the BLM and ODOGM), without further delays and damages to these operations.

3. Hereto forward, “no more” undue hardships of these kinds are to be placed on our company, as we proceed forward together in good faith. (We expect to “live by the law” and receive all the rights and privileges for which the law(s), and their intents, were enacted. The laws were not for government agencies, they are placed in order to protect the people.)

We understand that the present (and suspected) liabilities of the BLM (and possibly other agencies involved) are “significantly more” than the suggested increased bond requirements. Therefore, we need to talk in such a manner as to find a reasonable and agreeable solution to these problems today – with this in mind.

We pray for a mutually beneficial and immediate resolve to these matters. We cannot manage any further or additional delays in completing the work that we are intending to do; to provide for a beneficial operation with regard to these claims. Thank you!

Respectfully,



John A. Anderson, CEO & General Managing Member
Gregory R. Bennett, President & General Managing Member
A & B Technologies, LLC
(aka Wellman Minerals Corporation)
1267 Chapel Ridge Drive
South Jordan, Utah 84096
(801) 808-7771

cc: Strong & Hanni Law Firm

S/045/0055

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APR 02 2012

Div. of Oil, Gas & Mining

THIRD JUDICIAL DISTRICT COURT
Third Judicial District

OCT 24 2011

SALT LAKE COUNTY

By: [Signature]
 [Signature]

IN THE THIRD JUDICIAL DISTRICT, SALT LAKE COUNTY
STATE OF UTAH

JOHN A. ANDERSON, GREGORY R.
BENNETT, BOYD ANDERSON, and
JOHN H. ANDERSON,

Plaintiffs,

vs.

WALTER R. WELLMAN,

Defendant.

RULING

Case No. 090921746

Judge: L.A. DEVER

The above entitled matter is before the Court trial. Both parties have conceded that there are no material factual issues, the only issues to be decided are legal issues and have asked the Court to so resolve and because there are only legal issues there is no need for a jury.

The Plaintiffs argue four issues:

1. Lack of consideration for the right of re-purchase
2. Failure of consideration
3. Laches
4. Estoppel

The Defendant argues that the agreement is subject to the ten year provision of U.C.A. §16-10a-732 and that the ten year period has not expired and he still has the

right to redeem the stock previously transferred to John A. Anderson.

The agreement at issue is a two page document (attached as exhibit 4 to Plaintiff's Trial Brief) drafted by the Defendant. The first page conveys all the stock of the Defendant in Wellman Mining Corporation to John A. Anderson. It is undisputed that the Defendant was the owner of 100% of the shares of the corporation. The second page of the document provided a manner for the Defendant to re-purchase the shares and the mining claims secured by the shares. It also provided that the Defendant was to act a proxy for Mr. Anderson and outlined certain duties that the proxy was obligated to perform, listed as items 1-3 in the document.

FINDINGS AND CONCLUSIONS

1. The Court has previously determined that pursuant to U.C.A. § 16-10a-722 (3) an appointment of a proxy is valid only for eleven (11) unless a longer period is provided in the proxy form. There was no longer term specified in this proxy, therefore the proxy has expired.

2. The Plaintiff claims that there was a Lack of Consideration for the Right of Re-Purchase and therefore the contract fails. This claim is without merit. The second page of the document clearly outlines the obligations of the Defendant. These obligations are coupled with the proxy given to him by the Plaintiff and in the view of the

Court are linked to the right of re-purchase. There is no dispute that Mr. Wellman performed these duties, at least until he was removed as an officer. The performance of these duties is sufficient consideration to defeat the first claim of the Plaintiff.

2. The second claim of the Plaintiff is that there has been a failure of consideration as it pertains to the repayment of loaned funds. There is no dispute that the Defendant has not repaid the loaned sums. The contract, however does not provide for a time of repayment.

3. The third claim of the Plaintiff is that the Defendant should be barred because it has been over ten years since the agreement was entered into and that this agreement should be viewed as an option agreement where "time is of the essence" should be inferred. Plaintiff argues that the Defendant stated that it was his intention to redeem the stock in "a few weeks" and he repeated that promise on several occasions but never followed through. The Plaintiff points out that the failure to include a time frame creates an ambiguity and since the Defendant prepared the documents this ambiguity should be construed against him. The Court finds as a matter of law that an undated option to repurchase carries with it an implied reasonable component of time. A delay of ten plus years is not reasonable and therefore the Defendant has forfeited his right to exercise the redemption.

4. The fourth claim of the Plaintiff is that the Defendant's claim should be

barred by the doctrine of estoppel. The Plaintiff points out that he and his partners took control of the company in December 2004. Since that time the Defendant has made no attempt to exercise his right "re-purchase" the shares. Since taking control of the Company the Plaintiffs has invested over \$125,000 and numerous man hours of work. They claim it would be inequitable to allow the Defendant to reclaim the company, to be rewarded for his inaction and unjustified delay. The Court finds that it would be inequitable to allow the repurchase at this late date and after the monetary investment and amount of man hours of work performed by the Plaintiffs.

5. The Defendant argues that this agreement is controlled by U.C.A. §16-10a-732 and that under the provisions of the statute the agreement has a ten year life unless otherwise provided. The Defendant is correct that shareholder agreements can be valid for ten years, however the agreement in question is not a shareholder agreement as is contemplated by the statute. There is no agreement between shareholders in this case. There is only one shareholder and he transferred all his shares to the Plaintiff. This agreement was a sale with a right to re-purchase.

CONCLUSION

The parties entered into an agreement where the Defendant sold his shares and mining claims in Wellman Mining Corporation in satisfaction of the debt owed to the

Plaintiff. The Defendant had the right to re-purchase the shares upon repayment of the sums loaned. The Defendant did not exercise that right within a reasonable time and it would be inequitable to allow that redemption to occur at this late date. Judgment is granted to the Plaintiffs terminating any right of the Defendant to redeem the shares of Wellman Mining Corporation.

Counsel to prepare the Findings and Judgment in this matter with the appropriate citations to the facts and law.

Dated this 22nd day of October, 2011.

BY THE COURT:

A handwritten signature in black ink, appearing to read "L.A. Dever", is written over a circular court seal. The seal contains the text "STATE OF UTAH" and "DISTRICT COURT".

L.A. DEVER
DISTRICT COURT JUDGE

CERTIFICATE OF MAILING

I certify that I mailed a true and correct copy of the foregoing Minute Entry dated this 24 day of October, 2011, postage prepaid, to the following:

Brian C. Johnson
Timothy C. Johnson
Strong & Hanni, PC
3 Triad Center, Suite 500
Salt Lake City, UT 84180

Walter R. Wellman
1042 East Fort Union Boulevard, Suite 127
Midvale, UT 84047

Susan Perry
Clerk

5/045/0085
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APR 02 2012

Div. of Oil, Gas & Mining

3RD DISTRICT COURT - SALT LAKE
SALT LAKE COUNTY, STATE OF UTAH

JOHN A ANDERSON,
Plaintiff,

vs.
WALTER R WELLMAN,
Defendant.

: MINUTE ENTRY
:
: Case No: 090921746
: Judge: L A DEVER
: Date: January 3, 2012

The Court considered the Objections of defendant and has denied them and entered the Judgment as submitted by petitioner.

Date: January 3, 2012



CERTIFICATE OF NOTIFICATION

I certify that a copy of the attached document was sent to the following people for case 090921746 by the method and on the date specified.

MAIL: WALTER R WELLMAN 1042 E FORT UNION BLVD SUITE 127 MIDVALE, UT 84047

MAIL: BRIAN C JOHNSON 3 TRIAD CENTER, SUITE 500 SALT LAKE CITY UT 84180

Date: 01/03/2012

/s/ SUSAN M PURDY

Deputy Court Clerk



**STRONG & HANNI
LAW FIRM**

A PROFESSIONAL CORPORATION

SALT LAKE CITY OFFICE

3 TRIAD CENTER, SUITE 500

SALT LAKE CITY, UT 84180

T : (801) 532-7080

F : (801) 596-1508

WWW.STRONGANDHANNI.COM

GLENN C. HANNI, P.C.
HENRY E. HEATH
PHILIP R. FISHLER

ROGER H. BULLOCK
R. SCOTT WILLIAMS
PAUL M. BELNAP
SCOTT R. JENKINS
STUART H. SCHULTZ
BRIAN C. JOHNSON¹
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BRADLEY W. BOWEN
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ROBERT L. JANICKI
H. BURT RINGWOOD
CATHERINE M. LARSON

KRISTIN A. VANORMAN
PETER H. BARLOW⁴
MICHAEL L. FORD⁵

GRADEN P. JACKSON⁶
H. SCOTT JACOBSON
MICHAEL J. MILLER⁶
ANDREW D. WRIGHT
BYRON G. MARTIN⁶
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LORI A. JACKSON
WILLIAM B. INGRAM
BRYANT J. McCONKIE
JAMES C. THOMPSON

JENNIFER R. CARRIZAL
JEREMY G. KNIGHT
RYAN P. ATKINSON

JEFFERY J. OWENS
ANDREW B. MCDANIEL
SADÉ A. TURNER⁴
NATHAN G. BROWER
CASEY W. JONES
RYAN C. BULLOCK
PAMELA E. BEATSE
JESSE A. FREDERICK II
R. ROMAN GROESBECK
ADAM D. WENTZ
DAVID E. BROWN
S. SPENCER BROWN
KATHRYN T. SMITH
BROOKE JOHNSON

¹ ALSO MEMBER CALIFORNIA BAR
² ALSO MEMBER COLORADO BAR
³ ALSO MEMBER DISTRICT OF COLUMBIA BAR
⁴ ALSO MEMBER IDAHO BAR
⁵ ALSO MEMBER OREGON BAR
⁶ ALSO MEMBER WASHINGTON BAR
⁷ ALSO MEMBER WYOMING BAR

ESTABLISHED 1888

GORDON R. STRONG
(1909-1969)



November 22, 2011

Via Regular Mail

Honorable L.A. Dever

Third District Court

450 S. State Street

P.O. Box 1860

Salt Lake City, Utah 84114

Re: *Gregory R. Bennett v. Walter R. Wellman*
Case No. 090921746

Honorable Dever:

On or about October 24, 2011, this Court entered its Ruling in the above-captioned matter. In that Ruling, this Court instructed Plaintiffs' counsel to "prepare the Findings and Judgment in this matter with the appropriate citations to the facts and law." See Ruling at 5. Thereafter, on or about November 10, 2011, Plaintiffs sent to Walter Wellman and this Court its Findings of Fact, Conclusions of Law and Judgment ("Proposed Judgment") in accordance with the Court's Ruling. On or about November 17, 2011, Mr. Wellman filed Defendant's Objections to Plaintiffs' Findings of Fact, Conclusions of Law and Judgment ("Objection"); however, Mr. Wellman did not submit a competing proposed judgment.

Plaintiffs believe that the Proposed Judgment is in accordance with the Court's Ruling, fair, and comports with the facts as determined by this Court. Plaintiffs have spent enormous resources prosecuting this matter and are hesitant to expend more. Plaintiffs believe that all of Mr. Wellman's concerns contained in his Objection have already been address by this Court. Therefore, Plaintiffs respectfully request that this Court enter its proposed Judgment as written or otherwise settle the current dispute. A copy of the Proposed Judgment is attached hereto.

SALT LAKE OFFICE — 3 TRIAD CENTER, SUITE 500, SALT LAKE CITY, UTAH 84180
SANDY OFFICE — 9350 SOUTH 150 EAST, SUITE 820, SANDY, UTAH 84070

November 22, 2011

Page 2

Sincerely,


STRONG & HANNI, P.C.

Brian C Johnson

cc: Gregory R. Bennett
John Anderson
Walter R. Wellman (sent via Certified Mail – Return Service Requested)
Enclosure

Brian C Johnson, #3936
Jesse A. Frederick, #12514
STRONG & HANNI, PC
3 Triad Center, Suite 500
Salt Lake City, Utah 84180
Telephone: (801) 532-7080
Facsimile: (801) 596-1508
Attorneys for Plaintiffs
bjohnson@strongandhanni.com
jfrederick@strongandhanni.com

IN THE THIRD JUDICIAL DISTRICT COURT

IN AND FOR THE COUNTY OF SALT LAKE, STATE OF UTAH

JOHN A. ANDERSON, GREGORY R.
BENNETT, BOYD ANDERSON, and JOHN
H. ANDERSON

Plaintiffs,

v.

WALTER R. WELLMAN,

Defendant.

**FINDINGS OF FACT, CONCLUSIONS
OF LAW AND JUDGMENT**

Case No.: 090921746

Judge L.A. Dever

The above entitled matter came before the Court for a hearing regarding the parties' respective Trial Briefs on August 23, 2011 at 2:00 p.m., and during oral argument, both parties conceded that there were no material factual issues and only legal issues remained for the Court to resolve without a jury. The Court having considered the arguments and evidence presented, applicable law, and having reviewed the pleadings submitted by both parties and good cause

otherwise appearing, the Court hereby makes the following Findings of Fact, Conclusions of Law, and Judgment:

FINDINGS OF FACT

1. On or about August 20, 1999, Defendant Walter R. Wellman ("Defendant") and Plaintiff John A. Anderson ("Anderson") entered into a proxy agreement ("Proxy Agreement") whereby Anderson agreed to accept Defendant's shares of stock in Wellman Minerals Corporation ("Corporation"), along with its unpatented mining claims, as payment in full for funds loaned to Defendant by Anderson.
2. Pursuant to the Proxy Agreement, "[o]n or about August 20, 1999, Defendant conveyed all his stock in the Corporation to [Anderson]." (*See Minute Entry*, dated April 19, 2010).
3. The Proxy Agreement also purported to give Defendant "the right to re-purchase" the shares conveyed to Anderson on August 20, 1999 "upon payment in cash of all loaned funds advanced for which [Anderson] will provide a full and complete accounting." (*See Proxy Agreement* ("Proxy Agreement"), attached as Exhibit 4 to Plaintiffs' Trial Brief).
4. The Proxy Agreement contemplated that the purported "right to re-purchase" could only be exercised personally by Defendant through the "payment in cash of all loaned funds advanced[.]" (*See Proxy Agreement*).
5. The Proxy was signed by Anderson and Defendant personally, rather than on behalf of any entity and therefore, in order for Defendant to repurchase the shares, he had to personally repay to the monies in cash. (*See Affidavit of John A. Anderson in Support of*

Plaintiff's Trial Brief ("Anderson Affidavit") at ¶¶ 16-19, attached as Exhibit 1 to Plaintiffs' Trial Brief; *see also* Proxy Agreement; *see also* Letter from Walter R. Wellman to John A. Anderson, dated February 10, 2005, attached as Exhibit 6 to Plaintiffs' Trial Brief).

6. Defendant and Anderson did not contemplate allowing the timeframe for exercising the purported "right to re-purchase" to extend for an indefinite period of time. (*See* Anderson Affidavit at ¶ 23).

7. All provisions for the transfer of shares to Anderson in exchange for extinguishment of monies owed by Defendant and the grant of the proxy to Defendant are contained in one single, two-page, Proxy Agreement. (*See* Anderson Affidavit at ¶ 15; *see also* Proxy Agreement; *see also* Utah Code Ann. § 16-10a-722).

8. "Defendant's unspecified term of proxy terminated approximately eleven months after August 20, 1999[.]" (*See* Minute Entry, dated April 19, 2010; *see also* Utah Code Ann. § 16-10a-722; *see also* Proxy Agreement; *see also* Transcript of January 18, 2011 Scheduling Conference Hearing at p. 3, lines 22-25; p. 6, lines 17-18 & 20-25, attached as Exhibit 7 to Plaintiffs' Trial Brief).

9. Once the Proxy Agreement had expired, Anderson, as sole shareholder, removed Defendant as director and from all offices of the Corporation. (*See* Anderson Affidavit at ¶¶ 33 & 35; *see generally* Minutes of the Special Meeting of the Shareholders of Wellman Minerals Corporation, attached as Exhibit 2 to Plaintiffs' Trial Brief; *see generally* Amendment and Restatement of the Articles of Incorporation of Wellman Minerals Corporation, attached as Exhibit 8 to Plaintiffs' Trial Brief; *see also* Notice of Removal of Management, attached as

Exhibit 9 to Plaintiffs' Trial Brief; *see also* Affidavit of Gregory R. Bennett ("Bennett Affidavit") in Support of Plaintiffs' Trial Brief at ¶ 7, attached as Exhibit 10 of Plaintiffs' Trial Brief).

10. Defendant received an accounting of the monies he owed Plaintiffs. (*See* Accounting ("Accounting"), attached as Exhibit 3 to Plaintiffs' Trial Brief; *see also* Letter and accompanying Accounting from Jared L. Anderson to Walter R. Wellman, attached as Exhibit 16 to Plaintiffs' Trial Brief).

11. Since the Proxy Agreement was entered into, Defendant has never attempted to repurchase the shares. (*See* Anderson Affidavit at ¶¶ 30-31; 39-41; *see also* Bennett Affidavit at ¶¶ 8-9).

12. Even up to and including the date of parties' Trial Briefs, and approximately eleven (11) years and eight (8) months after the expired Proxy Agreement was entered into, approximately six (6) years and four (4) months after Defendant was given notice on December 22, 2004 that he no longer had any right in the Corporation, and almost six (6) years after he received the Accounting on or about May 10, 2055, Defendant has never offered or attempted to tender any monies in order to exercise the right to repurchase. (*See* Anderson Affidavit at ¶¶ 30-31; 41; *see also* Bennett Affidavit at ¶¶ 8-9).

13. Since the expiration of the Proxy Agreement, Defendant has never regained any shares of the Corporation or otherwise been granted any authority to act for, or on behalf of, the Corporation. (*See* Anderson Affidavit at ¶ 48).

14. Defendant's repeated attempts to claim an interest in, and act on behalf of, the Corporation have frustrated its operation, caused much time and expense to be outlaid in order to seek justice, and have caused much heartache for Plaintiffs, including preventing them from, among other things, from fully developing the Corporation, from engaging in necessary research, and from obtaining outside investors. (See Anderson Affidavit at ¶¶ 49-50; see also Bennett Affidavit at ¶¶ 14-15).

15. Anderson and Plaintiff Gregory R. Bennett ("Bennett") have invested approximately \$115,000.00 of personal monies into the Corporation since approximately 2005 to date – not including the monies loaned to Defendant. (See Anderson Affidavit at ¶ 45; see also Bennett Affidavit at ¶ 10).

16. In addition, Anderson and Bennett have spent approximately 3,500 and 7,500 man-hours, respectively, into developing and furthering the Corporation without any kind of reimbursements or payments. (See Anderson Affidavit at ¶¶ 46-47; see also Bennett Affidavit at ¶¶ 11-13).

CONCLUSIONS OF LAW

17. Utah proxy agreements are only "valid for [eleven] 11 months unless a longer period is expressly provided in the [proxy] form." Utah Code Ann. § 16-10a-722(3).

18. The Proxy Agreement did not contain a term and consequently it expired on July 20, 2000, eleven (11) months after it was entered into.

19. "[T]he settled rule is that if a contract fails to specify a time of performance the law implies that it shall be done within a reasonable time under the circumstances." *Coulter*, 966

P.2d at 858 (citations omitted). "That rule of construction applies equally to options." *Id.* (citations omitted). "An implied reasonable time limit is as much a part of the agreement as those terms that are expressed." *Id.* (citation omitted). "The goals of commercial ventures are not usually focused on restricting alienation of property into the distant future." *Coulter*, 966 P.2d at 857. "It is a well recognized rule that time is of the essence in option contracts of this character." *Anderson v. Brennen*, 43 P.2d 19, 20 (Wash. 1935).

20. Here, the Proxy Agreement, an option contract, carried with it an implied reasonable component of time as a matter of law. Defendant's intention was to redeem the stock within "a few weeks" which promise Defendant repeated on several occasions but never upheld. Because Defendant drafted the entire Proxy Agreement which did not contain a time-frame, such ambiguity must be construed against Defendant. Defendant's delay of over ten (10) years is not reasonable and therefore the Defendant has forfeited any right he might have had to repurchase the shares of stock from Anderson.

21. Equitable estoppel consists of the following three elements:

(i) a statement, admission, act, or failure to act by one party inconsistent with a claim later asserted; (ii) reasonable action or inaction by the other party taken or not taken on the basis of the first party's statement, admission, act, or failure to act; and (iii) injury to the second party that would result from allowing the first party to contradict or repudiate such statement, admission, act, or failure to act.

Nunley v. Westates Casing Servs., Inc., 1999 UT 100, ¶ 34, 989 P.2d 1077 (citation omitted).

22. Here, the Plaintiffs took control of the Corporation in December of 2004. As above, since that time, Defendant has made no attempt to redeem the shares of stock. Since

taking control, Plaintiffs have invested over \$125,000.00 and numerous man-hours of work into the Corporation. It would be inequitable to allow the Defendant to repurchase any shares of stock at this late date. In addition, it would be inequitable to allow the Defendant to repurchase any shares of stock after Plaintiffs have invested significant monies and labor into the Corporation. Defendant cannot be rewarded for his inaction and unjustified delay.

23. The Court rejects Defendants' repeated assertion that the Proxy Agreement is subject to the ten-year duration provision as set forth in Utah Code Ann. § 16-10a-732. While shareholder agreements can be valid for ten years, the Proxy Agreement was not a shareholder agreement as contemplated by the statute. At no time was there an agreement between shareholders with respect to the Proxy Agreement. Defendant was the sole shareholder prior to the Proxy Agreement. Once he transferred all of his shares to Anderson, Anderson became the sole shareholder. The Proxy Agreement was a sale with the right to repurchase.

24. The Court likewise rejects Defendant's assertion that the Proxy Agreement has not expired and Defendant is still entitled to repurchase the shares of stock previously transferred to Anderson.

ORDER AND JUDGMENT

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that the Court's Findings of Fact and Conclusions of Law and hereby incorporated by reference as though fully set forth herein.

IT IS FURTHER ORDERED that Plaintiff is the prevailing party and any right Defendant may have had to repurchase any shares of the Corporation have been terminated.

IT IS FURTHER ORDERED that Defendant has no legal or other rights in the Corporation whatsoever.

IT IS FURTHER ORDERED that the Plaintiffs are the legal owners of 100% of the Corporation.

DATED this _____ day of _____, 2011.

BY THE COURT:

Honorable L.A. Dever
District Court Judge

APPROVED AS TO FORM:

DATED this _____ day of _____, 2011.

Walter Wellman

5/045/0055

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WELLMAN MINERALS CORPORATION
1267 Chapel Ridge Drive, South Jordan, Utah 84095
(801) 808-7771

2012 JAN 31 AM 10:11

USDI - BLM

January 30, 2012

Via Hand-Delivery

United States Department of the Interior
Bureau of Land Management
Salt Lake Field Office
2370 South 2300 West
Salt Lake City, Utah 84119

RECEIVED

APR 02 2012

Div. of Oil, Gas & Mining

Attention: Mr. Michael G. Nelson
Field Manager
Nonrenewable Resources

Re: Wellman Minerals Corporation
Letter of Notice - Registered Agents
Confirmation of Ownership & Authorized Information

Dear Mr. Nelson:

The following is an official "Letter of Notice" posted to your office for clarification and confirmation of correct listing(s) of information with regards to Wellman Minerals Corporation, its ownership, and authorized (only) Registered Agents.

On or about September 1, 2006, a Letter (from Strong & Hanni Law Firm) was delivered to the Salt Lake Office of BLM representing a Change of Registered Agents and Address for Wellman Minerals Corporation. It was discussed in that particular change(s) letter that Mr. Walter R. Wellman (had performed unauthorized and uncondoned conduct, by representing himself as an agent/officer with our company). A condition that has continued to be a problem - with us and the BLM.

On or about the fall of 2009, it was discovered by me (during a routine visit to Salt Lake Office) that further changes to our previous filings had again been made by Mr. Wellman. At that time I visited with representatives of that BLM office and made them aware that those particular changes were not authorized by our company. In this discussion I made the representative aware that the Division of Corporation (State of Utah) only recognized "us" (and not Mr. Wellman) as the owners and authorized representatives of Wellman Minerals Corporation. However, I was told at that time that (paraphrased) they (BLM)

would not restrict any filings by Mr. Wellman unless there was a court order to do so. Therefore, based upon that discussion we instructed our legal firm (Strong & Hanni Law Firm) to prepare documents in court seeking a Summary Judgment against Mr. Wellman.

I had advised the representative of the S L Office during the time of our meeting that we had possession of a letter (dated 12 September 2006) from Kathy Berg (Division Director of the Division of Corporations & Commercial Code, State of Utah) denying Mr. Wellman filing changes with the state. And the letter included a statement that advised Mr. Wellman that he did not have the authority to change officers of the corporation. However this did not make any difference to the decision made by that BLM office.

One frustration that we have had with regards to the BLM refusing to disregard negative actions by Mr. Wellman is that only the Division of Corporations (not the BLM) should ultimately determine who are the authorized members, officers, and agents of a particular Utah Corporation, and they recognize us as the owners and operators of the company.

On or about October 24, 2011 we (the plaintiffs in Case No. 090921746) were granted a favorable ruling in our attempt to secure a Summary Judgment by Judge L. A. Dever (In The Third Judicial District, Salt Lake County, State of Utah). (See enclosed ruling.)

Therefore we respectfully submit the enclosed information and data in order to properly update, correct, post and record (with the Bureau of Land Management) an authorized listing of the members names, agents, and contact address(es) for Wellman Minerals Corporation. The requirement set forth to us by instruction of the BLM.

Furthermore, it has come to our most recent attention that Mr. Wellman has filed a series of requests, negotiations, and correspondences with the Bureau without our knowledge. These are some of the consequences of the unauthorized changes to the BLM files. (See specifically electronic files and correspondences listed on Utah Minerals Program files, regarding Wellman Minerals Corporation and Permit No. SO450055).

We respectfully look forward to a strong and mutually beneficial relationship with the Bureau as we go forward. Our goal is to manage the potential resources of these mining claims in an effective and lawful manner. Therefore we ask that the BLM support us in regards to correcting any errors that may exist in the present Bureau files and prevent any such future unauthorized activity that may be one who is without authority to do so.

Authorized Registered Agent
Strong & Hanni Law Firm
Attn: Brian Johnson/Jesse Frederick
3 Triad Center, Suite 500
Salt Lake City, Utah 84180
(801) 532-7080

Authorized Owners, Officers, & Directors

John A. Anderson, CEO & Director
1055 Oberland Drive
Midway, Utah 84049
(801) 634-2404

Gregory R. Bennett, President & Director - **Wellman Minerals Corporation**
1267 Chapel Ridge Drive
South Jordan, Utah 84095
(801) 808-7771
Registered Official Address

Boyd Anderson, Vice-President & Director
17220 So. Cloverdale Road
Kuna, Idaho 83634

John H. Anderson, Secretary & Director
2345 North 1420 West
Pleasant Grove, Utah 84062

The above listing includes only those authorized persons and agents approved to do business for and in behalf of Wellman Minerals Corporation with the BLM. We sincerely appreciate the necessary and appropriate attention to correcting and further monitoring the files within the Bureau of Land Management.

Additionally, please find a series of attachments and exhibits that support and confirm our claims within this submittal. (See listing attached to this letter as EXHIBITS).

Thank you, in advance, for helping us to conduct a proper review and update to all WMC files. Please contact us immediately if there are any questions that you might have with regards to this matter.

Sincerely,



Gregory R. Bennett, President
Wellman Minerals Corporation

cc: Strong & Hanni Law Firm
WMC File

LISTING OF EXHIBITS

<u>Item</u>	<u>Description of Associated Exhibit/Item</u>	<u>Effective Date</u>
1.	Strong & Hanni Law Firm letter to Walter R. Wellman. (Notice of unauthorized participation on behalf of WMC).	6/05/2006
2.	Wellman Minerals Corporation - Entity No. 1276335-0142 Letter to Kathy Berg from Strong & Hanni (WMC Registered Agent) with enclosures including; Registration Information, Change Forms, Amended and Restated Articles of Incorporation, A&B Business Name Registration/DBA Application, and Notice of Management Changes.	10/10/2006
3.	EXHIBIT A - Recording Data (List of Claim Names, Book, Page, Entry #, and UMC # (ten lode claims, total, registered to Wellman Minerals Corporation).	N/A
4.	Wellman Minerals Corporation - Change of Registered Agent/ Change of Address (Hand Delivered to BLM - Salt Lake Office).	9/01/2006
5.	Letter of Denial to Mr. Wellman (from Kathy Berg, Division Director, Utah State Division of Corporations & Commercial Code) to change information of WMC with the State of Utah.	9/12/2006
6.	State of Utah (Office of the Attorney General) to Brian Johnson (Strong & Hanni - WMC Registered Agent). Memorandum of Points and Authorities Supporting Motion To Dismiss - Case No. 060916343AA (Walter R. Wellman, Plaintiff v Division of Corporations & Commercial Code, Department of Commerce, State of Utah).	10/26/2006
7.	RULING - Case No. 090921746 (Third Judicial District, Salt Lake County, State of Utah, Judge L.A. Dever). Summary Judgment In favor of Plaintiffs (John A. Anderson, Gregory R. Bennett, Boyd Anderson, and John H. Anderson) v Walter R. Wellman, Defendant.	10/24/2011
8.	Strong & Hanni Law Firm to Honorable L.A. Dever, regarding Gregory R. Bennett v Walter R. Wellman, Case No. 090921746 Findings of Fact, Conclusion of Law And Judgment.	11/22/2011

Utah Business Search - Registered Principals

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Registered Principals

Div. of Oil, Gas & Mining			
Name	Type	City	Status
WELLMAN MINERALS CORPORATION	Corporation	SOUTH JORDAN	Active
Position	Name	Address	
Vice President	BOYD ANDERSON	17220 S CLOVERDALE RD	Kuna ID 83634
Director	JOHN ANDERSON	1055 OBERLAND DRIVE	MIDWAY UT 84049
Secretary	JOHN H ANDERSON	2345 N 1420 W	Pleasant Grove UT 8406
Director	JOHN H ANDERSON	2345 N 1420 W	Pleasant Grove UT 8406
President	GREGORY R BENNETT	1267 CHAPEL RIDGE DRIVE	SOUTH JORDAN UT 84095
Director	GREGORY R BENNETT	1267 CHAPEL RIDGE DRIVE	SOUTH JORDAN UT 84095
Registered Agent	BRIAN JOHNSON	3 TRIAD CENTER STE 500	SALT LAKE CITY UT 84080

If you believe there may be more principals, click here to

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- Number
- Executive Name
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Name: